STATEMENT OF BASIS (AI No. 41555)

for draft Louisiana Pollutant Discharge Elimination System permit No. LA0113921 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Francis Drilling Fluids, Ltd.

FDF - Cameron Plant Post Office Box 1694 Crowley, Louisiana 70527

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)

Office of Environmental Services

Post Office Box 4313

Baton Rouge, Louisiana 70821-4313

PREPARED BY: Michelle Bickham

DATE PREPARED: January 16, 2008

1. PERMIT STATUS

A. Reason For Permit Action:

Permit reissuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term.

B. LPDES permit - LA0113921

LPDES permit effective date: May 1, 2003 LPDES permit expiration date: April 31, 2008

LPDES permit - LAR05M373

LPDES permit effective date: May 23, 2006
LPDES permit expiration date: April 30, 2001**

**This permit will be voided as the stormwater provisions in this multi-sector permit are included in the existing individual permit, LA0113921, for this facility.

C. Date Application Received: November 5, 2007

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - drilling mud sales and service facility

Francis Drilling Fluids, Ltd., Cameron Plant is an existing facility that mixes, stores, and transports drilling fluids. The facility pressure washes the inside and outside of trucks as well as tank barges used to transport the drilling fluids.

B. FEE RATE

- 1. Fee Rating Facility Type: minor
- 2. Complexity Type: III *
- 3. Wastewater Type: III
- 4. SIC code: 1389

- * This facility has an SIC Code of 1389 with a corresponding Complexity Type of III (internal cleaning). However, because of the low volume of washwater discharged, the points have been BPJ'ed to 10.
- C. LOCATION 120 Rex Street, Cameron, Cameron Parish Latitude 29°47'50", Longitude 93°19'34"

3. OUTFALL INFORMATION

Outfall 001

Discharge Type: external and internal truck washwater and tank barge

washwater

Treatment: initial solids and hydrocarbon separation; water is then

run through a carbon vessel, organoclay canister, and

undergoes additional solids separation

Location: at the point of discharge from the treatment plant

located on the southeast corner of the facility

(Latitude 29°47'47", Longitude 93°19'34")

Flow: 150 gpd

Discharge Route: local drainage thence to Calcasieu Pass

The sanitary wastewater from the facility is connected the the publicly owned treatment works.

4. RECEIVING WATERS

STREAM - local drainage thence to Calcasieu Pass

BASIN AND SEGMENT - Calcasieu River Basin, Segment 030401

DESIGNATED USES - a. primary contact recreation

b. secondary contact recreation

c. propagation of fish and wildlife

d. oyster propagation

5. PROPOSED RFFLUENT LIMITS

BASIS - See Rationale below.

6. COMPLIANCE HISTORY/COMMENTS

A Compliance History

There have been no recent inspections at the facility.

B. DMR Review/Excursions

<u>Date</u>	<u>Parameter</u>	<u>Outfall</u>	<u>Reported Value</u>	<u>Permit Limits</u>
9/07	COD	001	379 mg/L	$200/300~\mathrm{mg/L}$
6/07	COD	001	614 mg/L	200/300 mg/L
9/07	COD	001	315 mg/L	200/300 mg/L
6/07	COD	001	360 mg/L	200/300 mg/L
3/07	COD	001	580 mg/L	200/300 mg/L

7. EXISTING EFFLUENT LIMITS

Outfall 001 - external and internal truck washwater and equipment washwater $% \left(1\right) =\left(1\right) +\left(1\right)$

Parameter	LPDES		
	Monthly Average	Daily Maximum	
Flow - gpd	Report 1/quarter Est.	Report 1/quarter Est.	
TSS		45 mg/L 1/quarter Grab	
COD	200 mg/L 1/quarter Grab	300 mg/L 1/quarter Grab	
Oil and Grease		15 mg/L 1/quarter Grab	
Н	6.0 - 9.0 s.u 1/quarter Grab		
Soaps & Detergents	Report 1/quarter Grab		

Proposed Changes:

The monitoring frequency for COD is being increased from 1/quarter to 1/month. Additional requirements regarding barges have been added to Part II.

8. ENDANGERED SPECIES

The receiving waterbody, Subsegment 030401 of the Calcasieu River Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated October 24, 2007 from Boggs (FWS) to Brown (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. It was determined that the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat.

9. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

10. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to reissue a permit for the discharge described in the application.

11. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

Rationale for Francis Drilling Fluids, Ltd.

 Outfall 001 - external and internal truck washwater and tank barge washwater (estimated flow is 150 gpd)

<u>Pollutant</u>	<pre>Limitation Mo. Avg:Daily Max (mg/l)</pre>	Reference	
Flow	Report:Report	LAC 33:IX.2701.I.1.b previous permit	-
COD	200:300	-	
TSS	:45	previous permit	
Oil & Grease	:15	previous permit	
рН	6.0 - 9.0 s.u.	previous permit	

Treatment: initial solids and hydrocarbon separation; water is then run through a carbon vessel, organoclay canister, and undergoes additional solids separation

Monitoring Frequency: 1/month for COD; 1/quarter for all other parameters at the point of discharge from the treatment plant located on the southeast corner of the facility

Limits Justification: Limits based on current guidance for similar discharges from other facilities and the previous permit. The monitoring frequency for COD is being increased from 1/quarter to 1/month as there were numerous excursions for this parameter. NOTE: Residual hauled fluids known as "heels" are not authorized to be discharged through this outfall. The "heels" are subject to the no discharge requirement for drilling fluids as addressed in the effluent guidelines and standards for the Coastal Subcategory of the Oil and Gas Extraction Point Source Category (40 CFR 435).

This facility is not subject to 40 CFR 442, Transportation Equipment Cleaning Point Source Categoary. As per 40 CFR 442.1(b)(3), facilities discharging less than 100,000 gallons per year are not subject to these guidelines.

BPJ Best Professional Judgement su Standard Units

NOTE

For outfalls containing concentration limits, the usage of concentration limits is based on BPJ for similar outfalls since the flow is variable and estimated.

STORM WATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

A SWP3 is included in the permit because in accordance with LAC 33:IX.2511.A.1, stormwater coverage shall not be required under an LPDES permit "... except... discharges associated with industrial activity." In accordance with LAC 33:IX.2511.B.14.a-k, facilities classified as SIC code 1389 are considered to have storm water discharges associated with industrial activity.

The SWP3 shall be prepared, implemented, and maintained within six (6) months of the effective date of the final permit. The plan should identify potential sources of storm water pollution and ensure the implementation of practices to prevent and reduce pollutants in storm water discharges associated with industrial activity at the facility (see Part II of the permit).

TMDL/303(d) LANGUAGE

Subsegment 030401 is listed on LDEQ's Final 2006 303(d) list as impaired for fecal coliform. To date, a TMDL has not yet been developed for fecal coliform for this waterbody. A reopener clause will be established in the permit to allow for the requirement of more stringent limitations and requirements as imposed by a future TMDL. This facility is not expected to discharge pollutants which would further contribute to the fecal coliform impairment. Therefore, requirements for fecal coliform will not be placed in the permit.

Subsegment 030401 was previously listed as impaired for priority organics for which the below TMDL's have been developed. The Department of Environmental Quality reserves the right to impose more stringent discharge limitations and/or additional restrictions in the future to maintain the water quality integrity and the designated uses of the receiving waterbodies based upon additional TMDL's and/or water quality studies. The DEQ also reserves the right to modify or revoke and reissue this permit based upon any changes to established TMDL's for this discharge, or to accommodate for pollutant trading provisions in approved TMDL watersheds as necessary to achieve compliance with water quality standards.

The following TMDL's have been established for subsegment 030401:

The TMDL for Priority Organics was completed May 2002. The TMDL states that there were no permitted discharges of priority organics to the Lower Calcasieu Estuary and Ship Channel, and the two facilities that might discharge priority organics are located well away from the main channel. It stated that there was no evidence that priority organics are causing impairments upstream of this subsegment, and there is no evidence that priority organics are causing impairments of this subsegment. It further stated that this subsegment should be delisted for priority organics. Additionally, this facility is not anticipated to discharge priority organics.